

EXTENSIONS OF REMARKS

MAIL FRAUD

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 28, 1997

Mr. STARK. Mr. Speaker, too bad Dante isn't still alive. He would surely write a special place in Hell for the vultures who prey on seniors with false and alarmist mailings, demanding money to save the seniors from some phony threat.

A more immediate punishment would be fines and imprisonment for postal fraud by the U.S. Postal Service.

Following is a letter I have sent to the U.S. Postal inspectors regarding the recent mailings by United Seniors Association and the Seniors Coalition and their misrepresentation of the Kyl amendment issue.

U.S. POSTAL SERVICE INSPECTION
SERVICE, FRAUD DIVISION,
Washington, DC. October 27, 1997.

DEAR SIR: Pursuant to 18 U.S.C. 1341 which reads, in part "Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises . . . for the purpose of executing such scheme or artifice . . . places in any post office . . . any matter or thing whatever to be sent or delivered by the Postal Service . . . shall be fined under this title or imprisoned not more than five years, or both"

I wish to report a postal fraud by United Seniors Association, 3900 Jermantown Road, Suite 450, Fairfax, VA 22030 and urge your immediate action to impose appropriate penalties.

Enclosed are two mailings from the United Seniors Association (USA) urgently asking for money on the basis of false pretenses and representations. The USA letter contains innumerable inaccuracies and errors of fact. It is so blatantly wrong that it cannot be a simple act of stupidity, but is a calculated scheme to frighten Medicare beneficiaries out of money. In particular, in the letter of September 22, 1997, the paragraph on the first page which reads "Here's what this appalling new law does: if you are a Medicare patient and you want to personally pay for a treatment which Medicare does not want to cover—it will be nearly impossible to do so."

This statement, repeated in numerous ways throughout the mailings, is false.

Medicare beneficiaries have always been able to contract privately with doctors for services which Medicare does not cover. Nothing in any law has changed that right. Under certain conditions, the new law actually extends that "right" to services which Medicare does cover—a new right to be billed more than the Medicare payment rate by physicians, which did not exist before. See enclosed memoranda.

I also urge you to investigate for fraud the enclosed recent Seniors Coalition mailing (11166 Main Street, Suite 302, Fairfax, VA 22030). This mailing calls for "an emergency contribution" to help fund a lawsuit on the private contracting issue. The cover letter is rather extraordinary in that it asks people

to send money to help fight something for which the writer has "no time to explain." The statements in the letter over Mary Martin's signature is false: "your health care will be rationed in a Clinton HMO." The enclosed news articles contain numerous errors and misrepresentations. I believe that this mailing may also be a mail fraud because it uses false statements in the cover letter and inaccurate or incomplete statements in the news articles to scare people into sending money to support plans for a lawsuit. I know of no such lawsuit or any grounds for it, and I ask your investigators to determine whether there is in fact such a planned use of the money bilked from the public.

Congressional offices report receiving numerous letters and calls expressing concern and confusion as a result of these two mailings and therefore I assume that a number of Medicare beneficiaries have been defrauded out of some money as a result of these alarmist misrepresentations.

Before additional harm is done to Medicare beneficiaries, I urge an immediate investigation and fines and/or the return of money to the beneficiaries.

The issue of private contracting and Medicare payment rates are complex and worthy of a rational debate. These two mailings are false, alarmist, and destructive to public debate while frightening beneficiaries out of money "by means of false or fraudulent pretenses, representations, promises" etc.

Thank you for your review of these mailings.

Sincerely,

PETE STARK.

THE 25TH ANNIVERSARY OF THE HISPANIC INFORMATION CENTER OF PASSAIC, INC.

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 28, 1997

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the momentous occasion of the 25th anniversary of the Hispanic Information Center of Passaic, Inc.

The Hispanic Information Center of Passaic was established in 1972 to identify, study, and articulate the human service needs of the Hispanic community in the city of Passaic. Today, through its different programs, the agency reaches out to the most at-risk populations. It contributes to economic and social stability by means of job placement and support to families, youth, seniors, the disabled, people suffering from addiction, and the homeless. Services are rendered with no regard to race, color, or national origin.

Each and every program at the center is administered with the utmost of professionalism and caring. The Community Service Program of the Hispanic Information Center strives to inform low- and moderate-income clients of the resources available that will help them develop and maintain economic self-sufficiency. In addition, the program assists in providing social service information and helps with so-

cial adjustment, job placement, emergency shelter, food referral, advocacy, translations, and referrals.

The center also offers a program of the youth counseling services which was created to serve individuals referred by schools, State agencies, or families. They work to prevent dropping out of school and provide individual and group counseling to help young people cope with family, school, and environmental problems through behavior modification. They also provide tutoring, pre-delinquent and family intervention, vocational and educational orientation, as well as recreation and field trips. This program serves as an advocate for youth in school, city, county agencies, and courts.

The Homebound Program caters to persons who are homebound due to age or illness with the goal of preventing institutionalization. Services are geared toward improving the quality of life and independent living within the heritage characteristic of a Latino culture. Services included but are not limited to case management, counseling, referral, translations, interpreters, recreational activities, and social events.

Other programs aimed at fostering family settings include the Host Program which is designed to assist children whose natural parents are unable to provide adequate care at home. Families are recruited in order to provide a temporary home environment. The goal of the program is to reunite the child with their family or to ensure that the child will have a safe and nurturing family environment. The program is founded on the premise that all children have the right to physical and emotional protection. Host parenting is not a lifetime commitment to a child but a commitment to make a meaningful contribution to a child's life. Additionally the goal of the Bridge Family Program is to provide a temporary placement for children ages 7 to 10 who have been adopted and the adoption was disrupted. Further, the Teaching Family Program is designed to help adolescents currently placed in residential facilities or being considered for such placement with alternative family settings within the community. The program provides support and guidance to assist them in their transition to a permanent family environment.

The Alcohol Outreach for Minorities Program was established to serve the needs of individuals suffering from the consequences of alcoholism. The program provides a 16-week treatment service and is the only Hispanic alcoholism treatment and referral service program in Passaic County which takes into consideration the cultural uniqueness of the Hispanic client.

The Immigration and Citizenship Program was established with the purpose of helping immigrants achieve social stability through immigration aid, which gives information and basic orientation to the immigrants that wish to become permanent residents or legalize their migratory status. The new citizenship project aids eligible permanent residents in completing naturalization forms, lending them the

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